



# Department of Justice

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**BELGIAN MOVING AND STORAGE COMPANY AND TOP EXECUTIVE  
CHARGED WITH BID RIGGING AND DEFRAUDING THE U.S. GOVERNMENT**

WASHINGTON, D.C. -- A Belgian moving and storage company and its managing director have been charged with participating in a conspiracy to rig bids and to defraud the United States government in connection with a scheme to raise rates charged to the Department of Defense to move household goods belonging to military and civilian DOD personnel from Germany to the United States, the Department of Justice announced today.

Gosselin World Wide Moving N.V., headquartered in Antwerp, Belgium, and Marc Smet, a Belgian national and the company's managing director, were charged in a criminal complaint. The complaint, which was filed under seal in U.S. District Court in Alexandria, Virginia, on October 8, 2003, was made public at Smet's initial appearance before a U.S. Magistrate Judge in Honolulu yesterday. Smet was arrested in Honolulu, Hawaii on October 14, 2003, by agents of the Defense Criminal Investigative Service.

The charges in the two-count criminal complaint are the first to arise from an ongoing federal antitrust investigation of bid rigging, fraud, bribery, and tax-related offenses by companies participating in the military moving and storage industry.

"These charges demonstrate the Division's resolve to use the full powers of our Antitrust laws to prosecute those involved in anticompetitive behavior that harms American businesses, consumers, and taxpayers," said R. Hewitt Pate, Assistant Attorney General in charge of the Antitrust Division.

According to court papers, the DOD, in recent years, has spent more than \$100 million annually to move the household goods of its military and civilian personnel from Germany to the U.S.

According to the complaint Gosselin and Smet conspired with others to eliminate competition, fix prices, and rig bids for the transportation of military household goods from Germany to the U.S. during a six-month period in 2002. The criminal complaint also charges that Gosselin and Smet colluded with others to increase the rates to the DOD for services provided on routes from Germany to the U.S. during the same period and to obstruct the due administration of the International Through Government Bill of Lading program.

Gosselin and Smet are charged with eliminating competition, fixing prices, and rigging bids in violation of the Sherman Act, which carries a maximum penalty of a \$10 million fine for a corporation and a \$350,000 fine and three years imprisonment for an individual. The conspiracy to defraud charge carries a maximum penalty of a \$500,000 fine for a corporation and five years imprisonment and a fine of \$250,000 for an individual. The maximum fines may be increased to twice the gain derived from the crime or twice the loss suffered by the victims of the crime, if either of those amounts is greater than the statutory maximum fine. If convicted of these charges, the defendants will be sentenced by the U.S. District Court under the U.S. Sentencing Guidelines.

The ongoing investigation is being conducted by the Antitrust Division's National Criminal Enforcement Section in Washington, D.C., with the assistance of the Defense Criminal Investigative Service and the Army Criminal Investigative Command.

Anyone with information concerning bid rigging and fraud offenses involving the transportation of U.S. military personnel vehicles, equipment, and home furnishings is urged to

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call the National Criminal Enforcement Section of the Antitrust Division at (202) 307-6694 or the Defense Criminal Investigative Service at (410) 529-9054.

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